Understanding Overtime/Compensatory Time and the FLSA Workweek



Overtime/Compensatory Time and the FLSA Workweek

Under the Fair Labor Standards Act (FLSA), non-exempt employees earn overtime or compensatory time at one and one-half times the amount of time physically worked in excess of 40 hours per week.

If the non-exempt employee does not physically work more than 40 hours in a workweek due to a leave request, straight overtime or compensatory time is earned for time worked outside their normal work hours.

Note: Follow your agency's policy regarding overtime or compensatory time.

eSTART Examples

- Overtime or compensatory time is credited once the employee has earned 40 hours in an FLSA workweek.
- Any additional time worked is treated as regular time until the employee has earned 40 hours for the FLSA workweek.
- The FLSA workweek is Saturday to Friday.

Normal FLSA Workweek

In a normal workweek, once the employee has worked 40 hours any additional time would then be treated as overtime or compensatory time. The example used below shows compensatory time.



Split FLSA Workweek

A split FLSA workweek is one where the end of the pay period occurs before Friday.

In the example below, the employee worked an extra 30 minutes on Wednesday, the 14th. Since the employee had not yet earned 40 hours for the week, the additional time is treated as <u>regular time</u>.

However, when the end of the pay period occurs before Friday (in this example, on Thursday the 15th) and the 40 hour threshold has not yet been reached, the additional time will continue to be treated as <u>regular time</u>.

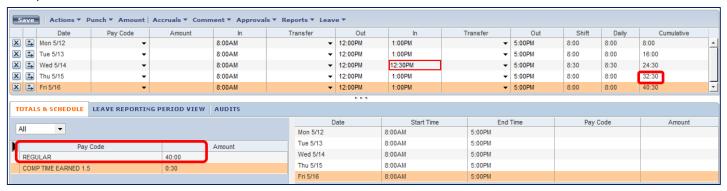


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FLSA Week View

Once the 40 hour threshold has been reached for the week, the additional hours will be treated as <u>compensatory time</u>, even if the 40 hour threshold is not reached until the beginning of the next pay period (the 16th).



Next Pay Period View

The comp time may also be viewed in the Next Pay Period, as below.

